§ 365.16

through (g) and if the in-kind contributions would be considered allowable costs under this part, as determined by the cost principles made applicable by either subpart Q of 34 CFR part 74 or 34 CFR 80.22, as appropriate; and

(b) Made to the program or project by the State or by a third party (i.e., an individual, entity, or organization, whether local, public, private, for profit, or nonprofit), including a third party that is a grantee, subgrantee, or contractor that is receiving or will receive assistance under section 713 or 723 of the Act.

(Authority: 29 U.S.C. 711(c) and 796e-1(b))

§ 365.16 What requirements apply to refunds and rebates?

The following must be treated as a reduction of expenditures charged to the grant, subgrant, or contract awarded under this part and may not be used for meeting the State's matching requirement under section 712(b) of the Act:

- (a) Rebates, deductions, refunds, discounts, or reductions to the price of goods, products, equipment, rental property, real property, or services.
- (b) Premiums, bonuses, gifts, and any other payments related to the purchase of goods, products, equipment, rental property, real property, or services.

(Authority: 29 U.S.C. 711(c), 796e-1(b), and OMB Circulars A-87 and A-122)

Subpart C—For What Purpose Are Funds Authorized or Required To Be Used?

§ 365.20 What are the authorized uses of funds?

The State may use funds received under this part to support the activities listed in §365.1 and to meet its obligation under section 704(e) of the Act and 34 CFR 364.43(b).

(Authority: 29 U.S.C. 796e-2)

§ 365.21 What funds may the State use to provide the IL core services?

(a) In providing IL services as required under section 704(e) of the Act and 34 CFR 364.43(b), a State may use funds provided under this part to provide directly, or through grants or contracts, the following IL core services:

- (1) Information and referral services.
- (2) IL skills training.
- (3) Peer counseling, including cross-disability peer counseling.
 - (4) Individual and systems advocacy.
- (b) Information and referral services may be provided independently of the other services described in paragraph (a) of this section and without regard to subpart G of 34 CFR part 366.

(Authority: 29 U.S.C. 711(c) and 796c(e))

§ 365.22 What additional IL services may the State provide?

In addition to the IL core services that the State may provide pursuant to §365.21(a) with funds received under part B of chapter 1 of title VII of the Act, the State also may use funds received under part B of chapter 1 of title VII of the Act to provide other IL services defined in 34 CFR 364.4 (Independent living services).

(Authority: 29 U.S.C. 796e-2(1))

§ 365.23 How does a State make a subgrant or enter into a contract?

If a State makes a subgrant or enters into a contract to provide IL services to meet its obligation under section 704(e) of the Act—

- (a) The provisions of this part apply to both the State and the entity or individual to whom it awards a subgrant or with whom it enters into a contract; and
- (b) The provisions concerning the administration of subgrants and contracts in 34 CFR parts 76 and 80 apply to the State.
- (c) Cross-reference: See 34 CFR parts 74, 76, and 80.

(Authority: 29 U.S.C. 711(c), 796c(f), and 796e-

Subpart D—What Conditions Must Be Met After an Award?

§ 365.30 What are the standards for processing referrals and applications?

The DSU shall develop, establish, and maintain written standards and procedures to be applied by service providers to assure expeditious and equitable handling of referrals and applications